



Belgium
Market Report

pier review

The fact that Belgium broke its own world record for not having a government for the longest time gives some insight into the country's complicated political background. In December 2018, Prime Minister Charles Michel's government collapsed over inter-party tensions and **left Belgium with no federal government and governed by an interim government for 652 days** until October 2020.

Belgium ranks 22nd in the world in terms of absolute tourist numbers, with a total of 18.5 million tourists in 2023.

Nestled in the heart of Europe surrounded by France, Germany, Luxembourg and the Netherlands, the country is known for its rich history, stunning architecture, and beer. Last year, almost 45 million overnight stays were booked in Belgian holiday homes, of which more than half (23.1 million) were booked by Belgians, with the remaining international visitors.

For the country with a French–Dutch community split and a highly complex political system, running without a government is nothing new for the Belgians. Belgium already has a spot in the Guinness Book of Records for spending more than 500 days under a caretaker government from June 2010 until December 2011 when Prime Minister Elio di Rupo took office.

In October 2020, Flemish Liberal Alexander de Croo was voted in and headed a seven-party coalition, taking over from Sophia Wilmes, Belgium's first female Prime Minister, who had managed the country in her caretaker role for the year previously.

This included the height of the pandemic period. However, despite having no federal government as such, Belgium still had regional and local governments with a caretaker system in place, so institutions such as public transport, schools and health care all continued as normal, demonstrating the strength of the Belgian system.

Meanwhile, Croo was ousted in June 2024 after his Liberal party lost the elections, paving the way for Bart de Wever from the Nationalist party (NVA) to step into the position in February this year, after seven months of negotiations, shifting the country over to the right.

Wever was previously Mayor of Antwerp and has been vocal in his push for an independent Flanders. He became the party leader of the Flemish nationalist and conservative New Flemish Alliance party in 2004. At the time, it was a small party with one federal MP. The party has since grown into what is now the biggest political force in Belgium.

He has pledged to crack down on irregular migration and is also pushing for cuts in social benefits and pension reforms.

The main problem in Belgium is the political preferences between Flanders and Wallonia, which have their own governments, parliaments and budgets.

The biggest party in Flanders is the conservative Nationalist party NVA, whilst Wallonia is traditionally more left-wing, with the liberal MR party gaining the majority of votes during the last election. Meanwhile, Belgium is struggling with weak growth. In 2024, it had a 4.6 per cent deficit of GDP and is one of seven EU countries facing disciplinary action for running a deficit above three per cent of GDP. It is thought that unless policy changes are made, the deficit could exceed six per cent by 2027.

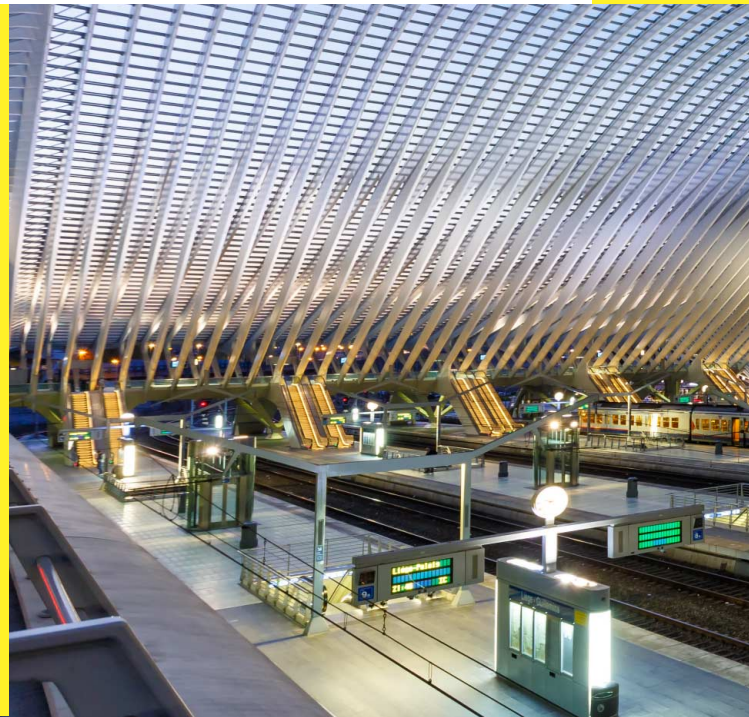
Government expenditure was €28bn higher than revenue, and this is partly due to the impact an ageing population have on pensions and healthcare, plus rising interest expenses.

The pension age was raised from 65 to 66 at the beginning of this year, which could see unemployment figures increase. At the moment, this is around 5.7 per cent. There has been a rise in energy prices, with gas prices increasing by more than 56 per cent year-on-year. Inflation at the end of 2024 was 3.2 per cent. Although GDP growth was around one per cent last year, it remains lower than the expected 1.3 per cent. Some issues include a recession in the manufacturing and retail sectors, even though the services sector is buoyant.

Tourism is another growth sector. Belgium ranks 22nd in the world in terms of absolute tourist numbers, with a total of 18.5 million tourists in 2023. Nestled in the heart of Europe surrounded by France, Germany, Luxembourg and the Netherlands, the country is known for its rich history, stunning architecture, and beer. Last year, almost 45 million overnight stays were booked in Belgian holiday homes, of which more than half (23.1 million) were booked by Belgians, with the remaining international visitors. Brussels was responsible for more than seven million overnight stays and is the 14th most visited capital city in Europe.

The country has more than 144,000 tourism accommodations, of which more than 2,100 are hotels. More than 9.28 million international tourists visited Belgium in 2023 – just a slight drop compared to pre-pandemic 2019 figures, with 9.34 million. Do-

The Gaming Commission developed the Excluded Persons Information System (EPIS) back in 2004, which is an electronic register of all excluded players. Players can register themselves or a third party can also submit a request for exclusion. By mid-2025, there were 180,000+ listed on EPIS: 61,000 direct exclusions; 58,500 excluded because of their profession (police, notaries, magistrates, etc); 7,200 because of a court decision and 61,000 because of debt.



mestic tourist numbers reached 9.3 million – a two per cent increase on 2019 data. International tourism is expected to increase to around 11.4 million by 2028.

The international tourist spend amounted to €10.5bn in 2024. The majority of visitors come from neighbouring Netherlands (26 per cent), France, Germany, followed by the UK and the US.

THE GAMBLING LAW

Belgium's gambling market is governed by the Belgian Federal Act of 1999 which is based on the principle that the operation of games of chance is generally prohibited, with exceptions made via a licence from the Gaming Commission (GC).

The commission was created in 1999 when the law was introduced and is made up of representatives from six ministries.

Land-based games of chance and bets require a licence, and these come via five categories:

- 1. A Licence** – for casinos. A casino is classed as a Class I gaming establishment. There are only a maximum of nine casinos allowed in Belgium in certain cities/locations. Licences are issued for a renewable 15-year period.
- 2. B licence** – for gaming arcades which can operate slots and automatic games. No table games are permitted. Gaming arcades are Class II establishments which cannot be located in the vicinity of schools, hospitals, etc. Licences are issued

for nine years, renewable. The number of arcades is limited to 180 and this is currently complete.

3. C licence – This licence is for a Class III gambling establishment (bars) and there is no limit and licences are issued for five years, renewable. A licensee can install a maximum of two bingo machines and a maximum of two machines with reduced stakes. Players must be 21 years old to play and ID is required. There are more than 4,000 bars with gaming in Belgium.

4. F1 licence – for betting. The F1 licence is for the organisation of bets and F2 for the acceptance of bets. Betting shops are Class IV gambling establishments. There are four categories of F2 licences, including for betting shops (class IV fixed establishments), bookmakers, newsagents (bookstores) and racing associations. Class IV establishments can be fixed or mobile, with a distance of 1km between each betting office. F1 licences are issued for nine years, renewable and there are 30 F1 licences at present which is the limit and more than 400 betting agencies.

5. FIP licence – for horse race betting and issued for nine years, renewable.

There are two further licences available for ancillary matters including the D licence issued for employees working within the sector and the E licence for the sale, rental, finance, production,



import, export of games of chance. This licence must be held by B2B operators and is renewable for 10-year periods.

Only operators with a land-based licence can then apply for a 'plus' licence allowing them to offer the same games it has in its land-based facility online. The number of online licences is limited and there are three categories:

- 1. A+ licence** – online casino games. There is a limit of nine licences available for a renewable 15-year period. Each of the land-based casinos currently have A+ licences.
- 2. B+ licence** – online arcade (dice) games with a limit of 180 licences. Licences are issued for nine years, renewable and only B licensees can apply for a B+ licence. There are 49 licences issued at present.
- 3. FI+ licence** – online betting with a limit of 30 licences issued for nine years, renewable. Only FI licensees can apply for an online licence. There are 22 licences at the moment.

There are loss limits established for each gambling establishment. So, games of chance operated in Class II (arcades) have a loss limit of €25 per hour maximum per player; Class III (bars) and IV (betting shops) have a loss limit of €12.50 per hour.

They must use notifications and pop-up windows to inform players of the risk of online gaming. Game advertising must also include warning messages and the legal minimum age to play (21 years).

Credit card payments are not permitted in class II, III and IV locations or for online gaming or betting. Online licence holders must impose compulsory deposit limits and offer the option of temporary self-exclusion.

The Gaming Commission developed the Excluded Persons Information System (EPIS) back in 2004, which is an electronic register of all excluded players. Players can register themselves or a third party can also submit a request for exclusion. By mid-2025, there were 180,000+ listed on EPIS: 61,000 direct exclusions; 58,500 excluded because of their profession (police, notaries, magistrates, etc); 7,200 because of a court decision and 61,000 because of debt. To apply for a licence, applicants must be EU citizens or EU/EEA registered companies applying for an A, B, E, FI or FIP licence.

For those applying for online licences (A+, B+ or FI+) applicants must have a solvency ratio of 40 per cent, plan to guarantee the security of payments, provide advertising policy details and proof that there are no tax debts. The applicant must also be responsible for a permanent data connection between the website and the Gambling Commission. Servers must be located in Belgium.

There is no fee for a licensing application, but guarantee deposits must be submitted which vary from €250,000 for an A or A+ licence; €75,000 for a B, B+ or FI+ licence and €10,000 for an FI licence.

LAND-BASED GAMBLING

There are four casinos in Flanders – Blankenberge, Knokke, Middelkerke and Ostend – four in Wallonia (Chaufontaine, Dinant, Namur and Spa) and one in Brussels.

Total land-based casino GGR in 2023 amounted to €139.9m, up 14 per cent from 2022 data. The biggest earner is Casino Brussels with 37 per cent of the GGR.

The casino online GGR amounted to €454.9m in 2023, up 20 per cent on the previous year. The Knokke website generates the most revenue (€93m), followed closely by Namur (€90.6m) – between them they have a 40 per cent market share.

CASINO BLANKENBERGE is part of the Kindred Group, which has been active in the Belgian market since 2005 under the Unibet brand. Its online portal is unibetcasino.be. Aside from the casino, the venue offers bars and restaurant facilities.

CASINO KNOKKE is a seafront casino that houses more than 100 slots and table games, and restaurants. It is the largest casino in terms of building size and is known for its large-scale artworks. It is due to undergo a renovation project to restore the building to its 1929 former glory, costing in the region of €95m to be ready by 2030. The plans include a new area to be built largely underground. Its online portal is napoleoncasino.be.

CASINO MIDDELKERKE x betFIRST is also located on the seafront and recently underwent a €38m renovation. Structurally, it now offers two separate zones with a classic gaming room with around 120 slots and table games, restricted to over 2ls and an open restaurant and entertainment area with space for 1,700 people, plus hotel with 60 rooms. The venue now also houses the Pokahroom Middelkerke – a first for Flanders, offering

poker games and tournaments. Online portal is betfirstcasino.be.

INFINITI CASINO OOSTENDE is operated by the DRGT Infiniti group on the coast of the North Sea. It is the second largest casino in Belgium with more than 1,000sq.m of gaming and 255 slots, 19 electronic games stations, and table games. The casino sees around 230,000 visitors each year and is the first in Belgium to offer players a loyalty card with a cashless payment solution that doesn't use TITo. Its online portal is bwincasino.be.

STAR CASINO CHAUFONTAINE offers more than 200 slots and table games. The casino was shut for 13 months due to Covid restrictions and then severe flooding and reopened fully in 2022. Its online site is starcasino.be.

GRAND CASINO DE DINANT is located just off the River Meuse and offers more than 190 slots and table games. Its portal is casinoladbrokes.be.

CIRCUS CASINO RESORT in Namur is Belgium's first casino resort. There are 250 slots and 70 table games, including 55

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RESPONSIBILITY FOR GAMING TAXATION

	BRUSSELS	FLANDERS	WALLONIA
Casino games			
Roulette without 0	2.75% on player winnings	No special rate. Now included in other games.	2.75% on player winnings
Other games	33% on GGR up to €1.36m 44% on GGR over €1.36m	All games taxed 33% on GGR up to €865,000 and 44% over this amount.	33% on GGR up to €1.36m 44% on GGR over €1.36m
Slots	20-50% per bracket of GGR (ie:20% up to €1.2m)	20-50% per bracket of GGR (ie:20% up to €1.2m)	Sliding scale of 20-50% of GGR (ie: 20% up to €1.2m)
Online gaming	11% on gross margin	11% on gross margin	11% on gross margin
Betting	15% on gross margin	15% on gross margin	15% on gross margin.



poker tables. The Mercure Namur Hotel has 100 rooms and is a 10-minute walk from the city centre of Namur. Plus there are bars, restaurants, meeting rooms and wellness facilities. The casino de Namur was originally opened in 1914. After a fire in 1980 the building was rebuilt and later renovated and extended in 2019 into the resort which opened in 2022. The casino sees around 200,000 visitors annually.

The Circus Casino Resort Namur is part of the Ardent Group, an association of Liege-based investor families. Online portal is circus-casino.be and pokerstars.be.

CASINO DE SPA is located in the heart of the Belgian Ardennes. Originally opened back in 1763, it is the oldest casino in the world. It has undergone numerous renovations and today also offers gaming on its smoking terrace, plus Circus poker tournaments. Its online portal is via casino777.be

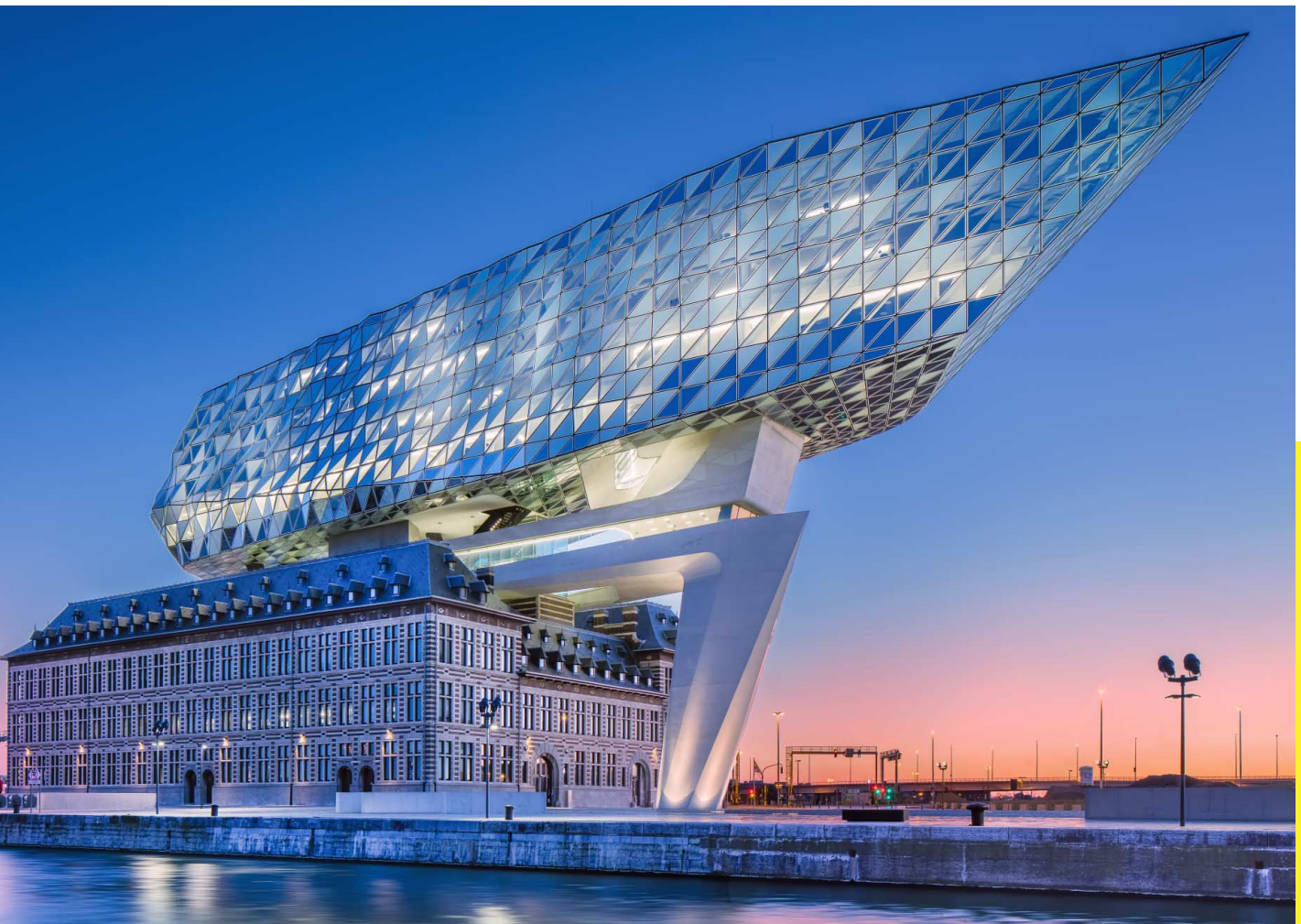
CASINO VIAGE in Brussels is operated by Casinos Austria International celebrates its 15th year in 2025 and is located in the

historical heart of the city. There are more than 400 slots and 39 table games, plus a WPT Poker room for up to 100 players. The casino also has bars, restaurants, an exhibition centre, a theatre, and meeting rooms. It runs the online gaming portal betanocasino.be.

Meanwhile there are 175 licences issued for gaming arcades (B licence) with 11 in Brussels, 14 in East Flanders, 48 in Hainaut, 20 in Liege, 16 in West Flanders, 16 in Flemish-Brabant, 12 in Luxembourg, 11 in Limburg, 18 in Antwerp, five in Namur and four in Walloon-Brabant. GGR was €184.9m in 2023.

There are 49 B+ licences currently issued. Gambling is possible on betting terminals in newsagents/bookstores, which are subject to special rules. Online GGR was €252m in 2023.

There are 1,300 newsagents/bookstores in Belgium. In 2022 Belgian gambling company Golden Palace took over the Ubiway Retail chain, which operated many of these newsagents across the country.



BELGIUM GGR 2019-2023

CLASS	2023	2022	2021	2020	2019
A	€139.9m	€122.4m	€58.8m	€54.9m	€121.3m
B	€184.9m	€161.4m	€92.3m	€81m	€163.1m
C	€270.9m	€217.1m	€112.3m	€113.6m	€207.7m
F	€162.2	€157m	€133.6m	€123.5m	€220.7m
TOTAL LAND-BASED	€758m	€658.1m	€397m	€373.2m	€713m
A+	€454.9m	€378.6m	€326.4m	€277.9m	€205.1m
B+	€252m	€211m	€237.8m	€156.7m	€124.9m
F+	€237.5m	€210.6m	€215.7m	€161.1m	€135.9m
TOTAL ONLINE	€944.5m	€800.3m	€780m	€595.8m	€466m

Only land-based casino licence holders can apply for an online gaming licence, making it difficult for operators outside of Belgium, particularly as the number of licences available are limited. A foreign operator can enter the online market via a partnership model, enabling them to manage the commercial operations for a land-based operator who holds the licence.

GAMBLING RESTRICTIONS

Online gambling in Belgium was regulated in 2011 and operates via a strict channelling policy to ensure Belgians have access to a limited, safe and regulated offer.

However, 'in theory' and 'in practice' often deliver different results, and the online market has existed fairly unregulated, with few of the rules in place actually enforced.

This is in sharp contrast to the land-based sector, which is regulated more seriously. There are strict protocols for the number of machines and loss limits. So, for example, betting shops can only have a maximum of two gaming machines with an hourly loss limit of €12.50.

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operations for a land-based operator who holds the licence.

Since 2011 the Gambling Commission has blacklisted more than 600 websites (June 2025) and have faced sanction proceedings with large fines. Last year, several amendments were made to the 1999 Gaming Act to help strengthen player protection and bring in stricter supervision rules and this came into force in September last year.

Referred to as the 'Van Hecke Act', the main points included:

- ♦ The standardisation of the minimum age for all games of chance and bets offline and online, raising the minimum age from 18 to 21 for games in casino games, betting, and automatic games of chance.
- ♦ Prohibition of the joint offering of games of chance on different licences on one domain name and URL, and requirement for separate player accounts (split wallets). In addition, players must maintain separate accounts for each type of licence (betting, casino and slots) and the transfer of funds or credits between accounts is no longer permitted.





- ◆ Prohibition of gifts, bonuses and free games (also travel, meals, drinks free of below market prices) for landbased and online operators (limited exception for landbased casinos) which can influence a players' gambling habit and attract or retain players. It does not, however, stop operators from generally increasing the return to player through in-game or platform mechanisms. So, players can still receive rewards, provided they are part of the winnings associated with the game.

- ◆ Prohibition of advertising for licensed games of chance and bets.

These all came into force in September 2024. A Royal Decree in mid-2023 had already introduced a general ban on advertising for games of chance, both online and landbased. It basically prohibited all forms (unless authorised) of both targeted (emails, text messages) and untargeted (TV, radio, social media) advertisements promoting gambling. Prior to this only advertising by C licence holders (bars) and F2 holders (newsagents) was regulated.

A transition period was given for the sports sector, but as from January a ban on betting-related advertisements at football stadiums came into play.

Shirt sponsorship has also been restricted but allowed in limited forms (logo only with no slogan on the sleeve or back of the shirt only and a certain size) until the end of 2027 and from 2028 shirt sponsorship will be banned completely and will only be permitted via amateur sports organisations.

The adoption of the Royal Decree has been criticised, as it was not preceded by wider talks with the government, whilst it has been argued that no specific studies were undertaken in relation to advertising and the merit of restrictions.

The sports industry has voiced its objections as it heavily relies on sponsorship from the gambling sector. The ProLeague and BeneLeague initiated proceedings in the courts seeking the suspension of the decree.

Football is said to be the biggest driver for local sports betting in 2024. During the Euro 2024, new online betting accounts

were created at an average of 1,031 per day – 31 per cent more compared to the day before the competition. The daily average total online bets rose from €6.5m before the competition to €8.6m during the tournament. Belgian clubs have been circumnavigating the new law and adding the words 'Daily' or 'News' to their logo. Two of the biggest clubs – Club Brugge and Standard Liege for example – now have U-Experts and 'Circus Daily' on their shirts respectively.

Brugge has a deal with Unibet, and the U-Expert is a sports news app developed by the company and essentially a gateway to its betting site. Similarly, Circus Daily does the same.

The Belgian First Division A-side Club Brugge signed its shirt sponsorship with Unibet (Kindred) in 2019 after a successful sleeve sponsorship the season before.

An investigation has been opened into this loophole and the Commission has issued direct warnings to the clubs who could face heavy fines, suspensions or even licence revocation.

The National Lottery is exempt from the advertising restrictions and also age restrictions and is the largest single gambling advertiser, accounting for around 40 per cent of the share.

The lottery pays a monopoly interest to the government, and when the government called for a higher interest rate, the lottery claimed these were impractical as long as private operators could continue to market their services. It said it had been "undermined" by the large number of private operators subject to less strict rules

The lottery company was founded in 1934 and was set up as the Colonial Lottery to raise funds for the then Belgian colony of Congo. In 1962, it became the National Lottery with profits used for rural communities in developing countries and public utility purposes. It comes under the supervision of the government via the Ministry of Finance and the Ministry of the Budget.

The lottery offers games via three main pillars – Lotto, Euro-Millions and scratchcards. In 2024, the lottery saw a total turnover of €1.55m (compared to €1.48bn in 2023) divided fairly equally among the three. Around 75 per cent of sales come from the physical network, although the lottery lost 824 points of sale in 2023 after Bpost's decision to discontinue sales of the lottery products. The decline has not been offset by the digital market, which has been fairly stagnant for the last few years. Digital sales account for 24 per cent of revenue (€362.1m). The lottery has 1.8 million unique player accounts.





BELGIUM LICENCES 2023

LICENCE	2023	Land-based	Online
A	CASINOS	9	9
B	ARCADES	175	49
C	CAFES	4,677	
F1	BETTING	30	24
F2	BETTING AGENCY	467	
F2	BOOKMAKERS	29	
F2	NEWSAGENTS	1,484	
F2	HIPPODROMES	5	
D	STAFF	7,428	
E	SUPPLIERS	173	

Capital:
Brussels
Total Area:
30,528sq.km
Population:
11.9 million
Median age:
42 years
Religions:
Roman Catholic, Protestant, other
Languages:
Dutch (official)
Ethnic Groups:
Dutch (60%), French (40%)
Currency:
Euro
Government type:
Federal parliamentary democracy under constitutional monarchy
Chief of State:
King Philippe (since 2013)
Head of Government:
Prime Minister Bart de Wever (since 2025)
Elections:
Monarch is hereditary. Following legislative elections leader of majority appointed Prime Minister.
Unemployment:
5.7%
Tourism:
18.5 million

Operators have challenged the advertising rule, and it is thought that several annulment cases which are pending in the courts may lead to the annulment of the strict advertising rules. Operators argue that a total or partial ban on advertising will drive customers to the unregulated markets.

THE BATTLE AGAINST ILLEGAL GAMBLING

Despite the first year with stricter gambling regulations, the sector made a record amount, with €31.5bn in stakes collected from the gambling and sports betting markets.

The GGR in Belgium in 2023 amounted to €1.7bn divided by 55.5 per cent online (€944.5m) and 44.5 per cent land-based (€758m). This was a 16 per cent growth rate compared to 2022.

Almost a third of land-based GGR is generated by bingo machines and slots in bars and cafes (35.7 per cent), followed by gaming arcades (24 per cent), betting (21 per cent), and then casinos (18 per cent).

The biggest amount of GGR comes from casino websites (48 per cent), followed by slot websites (27 per cent), and then online betting (25 per cent). In 2023, there were 154,316 unique daily active online players compared to 94,212 in 2019. The average number of players who visited a gaming or betting site at least once that year amounted to 614,332 (445,288 in 2019). This is compared to around 14,000 visits per day to land-based gaming establishments. A report by Belgium operator Gaming1 highlighted concerns about over-regulation on channelisation.



It pointed to earlier studies which found a six per cent rise in online players using illegal websites three months following the royal decree, plus a four per cent increase in deposits on illegal gaming sites.

The Belgian Association of Gaming Operators (BAGO) says one in four Belgian players access illegal gambling platforms.

BAGO is also calling on the government to implement payment blocks against illegal websites in cooperation with financial institutions and to work together in a broad alliance of government, sector and healthcare professionals to protect players.

The Gaming Commission has set up its Always Play Legally initiative aimed at illegal gambling sites. It aims to inform consumers about the difference between illegal and licensed sites and provides a full list of legal gambling sites.

It is reported that 60 per cent of the Belgian online game of chance market is held by illegal operators, and the turnover of the illegal sector is worth €200m. Despite the blacklist apparently players can still access the sites.

Tom de Clercq, Chairman of BAGO said: “We are on a slippery slope. While licensed gambling sites are subject to strict rules, invest in responsible gaming and actively protect players, illegal operators are given free rein. And that has consequences: more and more people, especially young people and vulnerable target groups, end up in an illegal circuit without rules, without control and without protection. If we do nothing, Belgium risks losing control over its gambling market.

“In the fight against the plague of illegal gambling BAGO fully supports the implementation of the coalition agreement, which should give the Gaming Commission the means to develop into a powerful regulator. Only in this way can it effectively tackle illegal providers, protect consumers and maintain a well-regulated private market.”

Meanwhile, the Federal Government Agreement 2025-2029 was introduced in January this year, and the Belgian government has planned to modernise its gambling policy and reform the Gaming Commission.



The restrictive policy concentrates betting shops in a special gambling zone in the Statiekwartier. This works in principle despite a conflict earlier this year when the court ordered the city to grant a permit to NV Betcenter Group for a betting office, which the council rejected due to its proximity to two schools. The gambling company filed a lawsuit against the refusal, and the court ruled the city had interpreted the criteria too strictly and granted the licence – the two later came to an agreement with limited opening hours.

The government has promised to “ensure a transparent and stable regulatory framework that provides legal certainty to the gambling and better sector.” This includes:

- ◆ Reforming the Gambling Commission with the Minister of Economy to be the exclusive representative of the government with the aim of creating a more level playing field, to combat illegal gambling and protect consumers. At the moment the commission has representatives from the Ministries of Justice, Finance, Economic Affairs, Home Affairs and Public Health as members.
- ◆ Measures must be taken to prevent illegal gaming for both the land-based and online sectors.
- ◆ Local authorities will have more say in granting licenses for gambling establishments such as gaming arcades and betting shops in their area. These cities and regions will also be given the opportunity to set up special zones where gambling can be concentrated.

This third point follows the example of Antwerp, which has a restrictive policy with special zones aimed at fighting the proliferation of newsagent shops with betting terminals and betting shops.

Antwerp had 120 newsagents back in 2023. Many were set up as betting shops disguised as newsagents, so requirements were introduced, meaning the shops had to have at least 200 books on the shelf and show an annual turnover of €25,000 minimum from book sales. These requirements halved the number of bookstores, and today there are around 56 registered bookstores in Antwerp.

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Acting Mayor of Antwerp at the time, Koen Kennis said: “We look at it on a case-by-case basis, but the policy is still to reduce the number and only allow them into the tolerance zone. However, this is a betting office that has been located on Annessensstraat since 2011 and therefore on the edge of the Statiekwartier.”

TOO RISKY TO BANK?

The unfair burden on access to banking by licensed gaming operators.

The gaming industry has often been under the spotlight when discussing Anti-Money Laundering (AML) rules with gambling operators being subject to strict scrutiny and enforcement by the Member States. However, even when fully compliant, face growing barriers when it comes to dealing with financial institutions. Many push back on providing essential banking services, based on Environmental, Social, and Governance (ESG) concerns and AML compliance considerations. While these grounds may appear valid at first glance, a deeper examination exposes significant flaws in the banks' approach and raises questions about the fairness and rationale behind such treatment.

THE ESG ARGUMENT: MORAL JUDGMENT BY BANKS

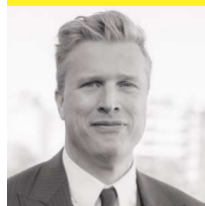
In recent years, ESG considerations have become a cornerstone of corporate decision-making in the financial sector. Driven by their ESG policies, banks are increasingly reluctant to provide services to industries that are viewed as morally or socially questionable. Alongside sectors like carbon-intensive industries, nuclear energy, and defence, gaming operators have found themselves on the list of industries facing moral scrutiny. Banks often argue that their refusal to work with gaming operators aligns with their ESG commitments and public image.

But should banks, as providers of essential infrastructure, be the moral arbiters of what constitutes acceptable trade? In many EU Member States, having a bank account is not only a practical necessity but a legal requirement. For instance, in Belgium, companies are legally obliged to maintain a bank account. Non-compliance leads to criminal liability. Given this



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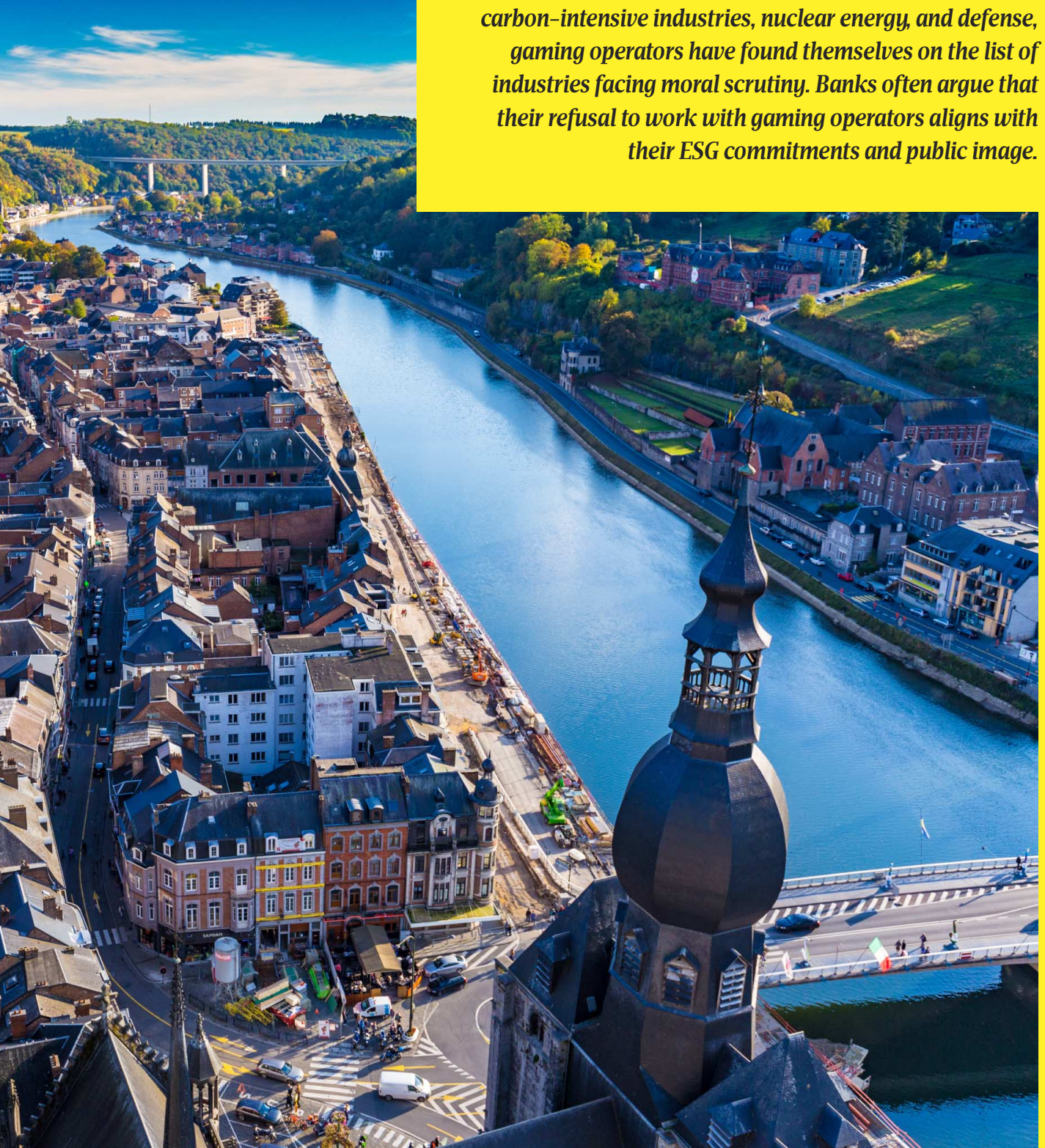
By Pieter Paepe & Christoph De Preter from Edson Legal – a company which specialises in Business Law and Strategy alongside a number of fields of law including gambling.

context, banks play a quasi-public role in the economy, and their ability to unilaterally exclude certain industries based on subjective moral judgements is deeply problematic.

Moreover, the gaming industry in the EU is far from unregulated or rogue. Gaming operators licensed by EU Member States are subject to rigorous regulatory oversight, ensuring that their operations are transparent, fair, and compliant with the law. The Court of Justice of the European Union has explicitly recognised the right of Member States to authorise and regulate games of chance and it is acknowledged that such regulation can prevent the growth of illegal, unregulated gambling. Without licensed operators, players would likely turn to non-EU platforms which may pose greater risks in terms of player protection and money laundering.



Driven by their ESG policies, banks are increasingly reluctant to provide services to industries that are viewed as morally or socially questionable. Alongside sectors like carbon-intensive industries, nuclear energy, and defense, gaming operators have found themselves on the list of industries facing moral scrutiny. Banks often argue that their refusal to work with gaming operators aligns with their ESG commitments and public image.





Thus, EU-licensed gaming operators contribute to a safer and more transparent gaming environment, fostering consumer protection and minimising illegal activity. Labelling these operators as “non-sustainable” under ESG policies ignores their role in maintaining a regulated and secure market. If anything, banks should view their involvement with licensed operators as a means to support a transparent and regulated ecosystem rather than shunning them based on generalised moral assumptions.

THE AML ARGUMENT: A DISPROPORTIONATE BURDEN?

Another common justification for banks’ reluctance to serve the gaming industry is the alleged heightened risk and compliance costs associated with AML requirements, which is questionable. Like other industries handling significant financial transactions, licensed gaming operators are “subjected entities”, i.e. they themselves are subject to AML regulations and must comply with national and EU-level AML laws, implementing robust measures to detect and prevent money laundering and other financial crimes. If these operators are already subject to extensive scrutiny and compliance obligations under AML laws, why should banks

perceive them as riskier than other regulated professions? Notably, the refusal to serve gaming operators creates a paradox. By denying them access to banking services, banks may inadvertently push these operators towards less regulated or alternative financial systems, which could undermine AML objectives altogether. This is confirmed by the European Banking Authority that considered, in a noteworthy opinion of 5 January 2022 on de-risking, that the practice of not serving entire categories of customers, without due consideration of individual customers’ risk profiles, can be “unwarranted and a sign of ineffective ML/TF risk management”. When gaming operators are forced to resort to non-traditional banking solutions, it becomes harder to monitor and trace financial flows, increasing the potential for illicit activities rather than reducing it.

BASIC BANKING SERVICES: GOOD INTENTIONS, POOR OUTCOMES

In response to the banks’ exaggerated derisking behaviour, some EU Member States have extended the basic banking service, guaranteed under EU law to consumers, to also cover businesses. Experience shows, however, that this basic banking service often remains dead letter. It is not uncommon



TIME FOR DIALOGUE AND INCREASED SUPERVISION

The difficulties faced by gaming operators in accessing banking services call for a constructive dialogue between the industry, regulators, and financial institutions. Rather than relying on generalised assumptions or moral judgements, banks should develop tailored solutions that address legitimate concerns while ensuring fair and equitable access to financial services.

By acknowledging the role of licensed gaming operators in promoting a regulated market, banks can strike a balance between their ESG commitments, compliance obligations, and their responsibility as providers of essential infrastructure. If this development does not occur spontaneously, regulators – the European Commission, the European Banking Authority, and national supervisors – must intervene.

for banks to argue that they are “forced” to deny the basic banking services because they are “incapable of meeting their AML obligations”. Thus, AML is often abused as a fig leaf for banks that simply do not want to engage with gaming operators. This is clearly unlawful – but hard to prove.

A CALL FOR BALANCE

The challenges faced by the gaming industry in accessing banking services reflect a broader tension between the responsibilities of private financial institutions and their role as providers of essential public infrastructure. While banks have a right to adopt ESG policies and manage compliance risks, these considerations should not come at the expense of excluding entire sectors that operate legally and contribute to the economy.

The case of the gaming industry highlights the need for a more balanced approach. Banks should recognise the legitimacy of licensed gaming operators whose role in maintaining a regulated and safe environment is ignored by blanket ESG or AML-based refusals. Doing otherwise risks creating unintended consequences, such as driving operators towards unregulated markets or alternative financial systems.

The challenges faced by the gaming industry in accessing banking services reflect a broader tension between the responsibilities of private financial institutions and their role as providers of essential public infrastructure. While banks have a right to adopt ESG policies and manage compliance risks, these considerations should not come at the expense of excluding entire sectors that operate legally and contribute to the economy.